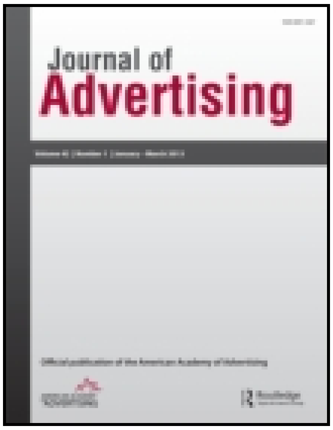

Beyond Advertising and Publicity: Hybrid Messages and Public Policy Issues

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This research explores a growing genre of marketing communication, labeled hybrid messages, *which creatively combine key advantages (and avoid key disadvantages) inherent in advertising and publicity messages. Several types of hybrid messages are discussed, including those with long established histories (product placements, program-length commercials, program tie-ins), and those with a relatively recent origin (masked-art, masked-news, and masked-spokesperson messages). To obtain integrative insights on hybrid messages, this study: (a) reviews their historical/current regulatory status, (b) discusses their pros and cons, theoretical rationales and practical implications, and (c) delineates an extensive agenda for future research. Several important public policy questions raised by hybrid messages are addressed.*

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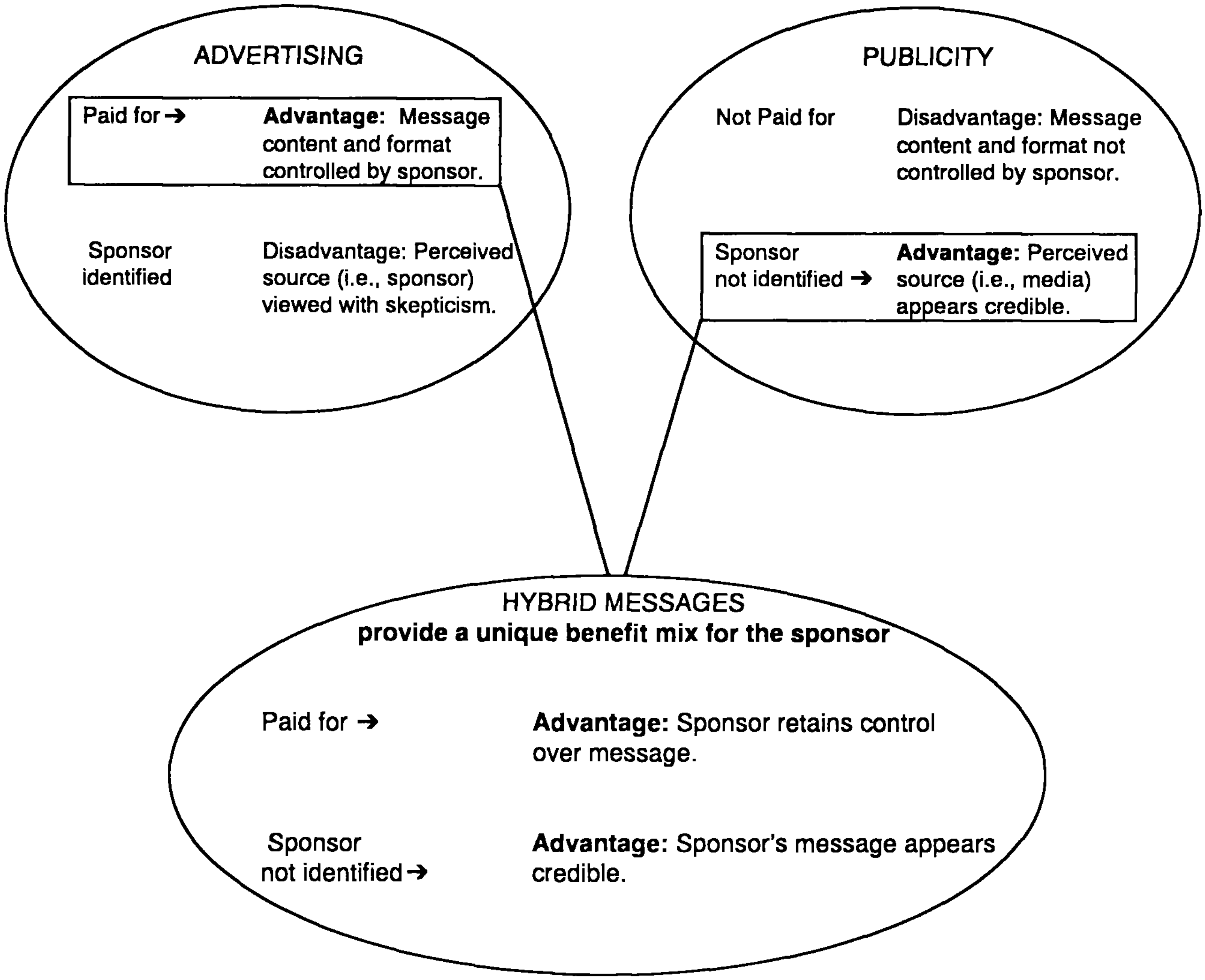
Introduction

In order to expose media audiences to product-related information, organizations often rely on two non-personal communication devices: advertising and publicity. One of the important distinctions between these devices lies in their definitions. That is, *advertising* refers to communications that are paid for, and which clearly identify the message sponsor, while *publicity* represents messages that are not paid for, and which do not identify the sponsor (Cohen 1988). A common example of the latter is a media story on a branded product.

These definitions yield an asymmetric structure of pros and cons when two basic elements of a marketing communication are considered, i.e., the *message*, and, its *perceived source*. Consider the top half of Figure 1. With respect to the message element, the sponsor has control over its content/format in advertising (a key advantage), but not in the case of publicity (a key disadvantage), where such control is the media's prerogative (Cohen 1988). The perceived source element is important because it directly influences message credibility. Because publicity messages do not identify the sponsor (i.e., the actual message source), audiences tend to perceive the media as the legitimate source of any featured brand-related story. More importantly, media institutions epitomize editorial independence in free societies. As a result, publicity messages appear credible and objective (a key advantage). In contrast, these desirable message qualities are less often associated with advertising (a key disadvantage), given its obvious and usual purpose: financial gain to the sponsor (Schudson 1984). Typically, advertising messages tend to evoke widespread skepticism (Calfee and Ringold 1988).

Viewed from the sponsor perspective, both advertising and publicity have shortcomings. That is, neither advertising nor publicity provides the desirable "benefit-mix" whereby the sponsor retains control over the message while the audience perceives the message as credible. This could explain the growing popularity of another distinct genre of marketing communication which promises this benefit mix. Communications in this genre can be characterized as *hybrid messages* because they creatively combine key ele-

Figure 1
Hybrid Messages Creatively Combine Advertising and Publicity Concepts



ments from the definitions of advertising and publicity (i.e., they are paid for and do not identify the sponsor) such that their respective advantages are consolidated, and their shortcomings are avoided (see Figure 1). Because they are paid for, hybrid messages provide a basis for the sponsor to control key message aspects such as its content and format; because they covertly or overtly disguise their commercial origins, hybrid messages may appear believable.

Hybrid messages include *all paid attempts to influence audiences for commercial benefit using communications that project a non-commercial character; under these circumstances, audiences are likely to be unaware of the commercial influence attempt and/or to process the content of such communications differently than they process commercial messages.* Given this, several factors motivate research focusing on hybrid messages. First, hybrids raise important ethi-

cal/legal/public policy questions concerning consumer welfare and consumer education. For instance, they stimulate a debate on how to balance the protection of legitimate interests of the individual (e.g., a person's desire to know — if, when, and by whom — he/she is being influenced with regard to a product) with the accommodation of First Amendment rights of commercial sponsors. Second, the proliferation of hybrids in the 1980s was phenomenal (as discussed later). In general, the factors underlying this growth deserve scrutiny; in particular, there is a need to understand the qualitative differences between such messages and other traditional forms of marketing communications. Finally, the concept of hybrid messages has not received attention in the literature. Therefore, this study makes a new contribution.

More specifically, the next sections (a) illustrate several types of hybrid messages, (b) describe their historical evolution and current regulatory status, (c) discuss conceptual and research aspects of the marketing impact of hybrids, and (d) suggest an extensive agenda for future research in this new area. Because hybrid messages are generally "hidden but paid for," special attention is placed on public policy implications.

Types of Hybrid Messages

For expositional ease, a distinction is made between "established" and "emergent" hybrid messages. The former group has more notoriety, because it includes hybrid types that (a) have a long history, and (b) attracted some regulatory attention in the past. The latter category subsumes hybrid types with a more recent origin and, therefore, has not been subject to much regulatory attention.

Established Hybrid Types

Product Placement is a paid product message aimed at influencing movie (or television) audiences via the planned and unobtrusive entry of a branded product into a movie (or television program). The typical product placement stems from a symbiotic relationship between a moviemaker (who controls opportunities for product appearances in a movie) and a product sponsor (who seeks such opportunities in exchange for valuable consideration). To efficiently locate product placement opportunities, the product sponsor usually hires a specialist firm to act as a liaison with movie studios and secure story scripts far in advance of movie production. These scripts are carefully reviewed to locate desirable story contexts for placing a specific product (Salmans 1981); when these contexts (and the consideration terms accompanying them) are acceptable to both the moviemaker and the product sponsor, a product placement results (*Newsweek* 1989). For example, Alaska Airlines, Apple computers, Bounty paper towels, and Ore-Ida Frozen french fries were an integral part of the movie *Short Circuit* (Reed 1989). Similarly, Gerber products (e.g., babyfood, strollers, and high chairs) were successfully placed in several television series, including *thirtysomething* and *Our House* (Cain 1988).

Program Tie-In is a paid product message because of a quid-pro-quo arrangement between a program source (e.g., a television network) and a product sponsor. Typically, this arrangement requires the latter to buy advertising spots broadcast with the program in exchange for product exposure within the program. One example of program tie-in involves the decision of the CBS television network to allow the display of a Coke vending machine within its program titled *TV 101*, in return for a promise from Coca-Cola Corporation to advertise heavily on this program (Lipman 1988). Similarly, the NBC network solicited advertisers with an offer to feature them in *Jock Spots* (a program about sports stars and ads), if they agreed to advertise during the commercial breaks of this program (Lipman 1991).

Program-Length Commercial (PLC) is a paid product message broadcast to television audiences using a format that resembles a legitimate program in both content and length. In order to communicate with audiences via a PLC (also called "infomercial"), the sponsor purchases suitably long time-blocks in television broadcast/cable network schedules. The following example extracted from Chester and Montgomery (1988) describes a PLC that purports to be a program on legal rights:

> *Legal Action Hotline* looks like a typical public affairs program during which guests discuss issues of public importance. Three attorneys are seated around a host, talking about how people can exercise their legal rights. Much of the discussion focuses on what to do if you're injured in an auto accident. For legal advice, viewers are urged to call a toll-free *Legal Action Hotline* number. What they don't know is that the only names the (telephone) operators will supply are those of the attorneys who have paid to be listed. All of the *Legal Action Hotline* TV guests are also paying members of the referral service. *Legal Action Hotline* has been airing on TV stations in San Francisco, Los Angeles, and San Diego (p. 39).

The "message-as-program" presentation could enhance message credibility and is usually executed in one of several "program" formats. For example, PLCs have been program-packaged as a consumer news show (*The Wall Street Journal* 1990), an investigative report (Chester and Montgomery 1988), a situation comedy (Bird 1992a), a talk-show with a celebrity host (Selz 1990), or as a series of endorsements from satisfied consumers (*ABC News* 1990). To the extent that PLCs do not constitute formal programming but only resemble them, the various "program" formats may mislead viewers. Occasionally, some formats seem deceptive. In one instance, a PLC ostensibly depicted enthusiastic members of a studio audience as consumers of the product pitched; yet, *ABC News* (1990) found that they were only paid actors from local talent agencies. Moreover, PLCs may rely on other means to sustain and bolster the credibility advantage gained from the "message-as-program" mode. A Federal Trade Commission report (FTC 1990) notes that the PLC presentation sequence can be elaborately planned so that:

> At regular intervals, the "program" may break into a "commercial" for the product promoted on the show, with ordering instructions. These "commercial breaks" often lend an additional air of realism to the "program" portions of the ad. Depending on the circumstances, this type of format may also mislead consumers about the nature of the infomercial (p. 13).

Emergent Hybrid Types

A *masked-art* hybrid message is any work of art (painting, sculpture, song, or literary work) that features branded products with deliberate (but usually not obvious) commercial intent. In the context of literary works (e.g., fiction), this definition reduces to what Friedman (1985) characterizes as "sponsored word-of-author" communication. An illustration of this genre involves the Clairol division of Bristol-Myers Company: Aslop (1988) notes that a series of Bantam romance novels included a description of the heroine's hair color that matched the shades in a new line of Clairol's hair-dye brands. Additionally, the novels included 50-cent coupons for these brands.

Hybrid messages of the *masked-news* variety are embedded in news sources. To illustrate such messages, we draw on potential violations of The Food, Drug and Cosmetic Act, which prohibits the promotion of prescription drugs for uses unapproved by the Food and Drug Administration (FDA). Consider the following message sponsored by a pharmaceutical company, which involved inserts

> ...that were distributed inside free *USA Today* newspapers to doctors attending the American Gastroenterological Association meeting in 1988. The insert was in the same format as *USA Today*; and in addition to articles on New Orleans, there were many articles about the company's product — including some claiming indications for its use that were not FDA-approved and for which there were no studies proving safety or efficacy (Green 1989, p. 61).

This company later agreed to send a letter to every doctor who attended the meeting correcting its earlier message about the unapproved indications. In a similar spirit, Bristol-Myers agreed in 1991 to notify thousands of doctors that it had disguised one of its promotional publications as a medical journal (Ingersoll 1991).

Masked spokesperson messages fall under two categories: masked-expert, and masked-celebrity. In *masked-expert* messages, the communication is delivered by a person who legitimately plays an expert role that accentuates credibility and who deliberately suppresses other roles that may damage credibility. A "Frequent Prescriber" marketing plan developed by Wyeth-Ayerst Laboratories illustrates the masked-expert concept: this plan "gives doctors 1000 points on American Airlines' frequent-flyer program for each patient they put on the hypertension drug Inderal LA" (Purvis 1991, p. 70). Purvis also notes that, as part of a "study," another firm (Roche) pays doctors $1,200 if they prescribe a new antibiotic for 20 hospital patients. The entities in the preceding examples acquire conceptual relevance because the sponsor (the drug firm) and the medium (the doctor) collaborate for mutual gain to influence the recipient (the patient) with a hybrid message (doctor's prescription for the sponsor's drug-brand). Because the doctor deliberately masks his/her role as a beneficiary of the marketing plan, and only projects the role of a medical expert, key circumstantial details (i.e., information concerning the existence, nature, and beneficiaries of the plan) remain unknown to the patient. Therefore, the patient may view the doctor's drug recommendation in a more objective light than it should be. The use of masked experts in the pharmaceutical industry extends beyond doctors; sometimes, pharmacists and medical researchers are pressed into service in this role. Tanouye (1994) reports that Miles, Inc. (a pharmaceutical firm) paid pharmacists $35 for each patient they "counselled" to switch to its low-

cost drug Adalat CC. Tanouye also notes that such payments were not disclosed to patients. Although Miles, Inc. claimed that its counselling program was lawful and constructive, it reached an agreement with 11 state attorneys general to end this practice. In a similar vein, masked-expert behavior is evident in Banks' (1990) report on medical researchers receiving substantial monies from a pharmaceutical firm as:

> ...research grants, consultant fees, or honoraria, and then embarking upon a seminar and/or media tour sponsored by that firm. Over the course of that tour, they repeatedly discuss that firm's latest product in glowing terms without mentioning their financial relationship with that firm. When questioned about this apparent conflict of interest and their obligation to divulge this financial relationship, the investigators invariably characterize themselves as inherently and unquestionably objective and unbiased, regardless of their financial relationship with the sponsoring firm. They, therefore, view such disclosure as unnecessary (p. 7).

As the name implies, *masked-celebrity* messages involve celebrities who mask their role as paid spokespersons while promoting products in public appearances. This portrays them as objective (unpaid) endorsers when in fact they have been hired to do such endorsing. For instance, baseball celebrity Mickey Mantle touted Voltaren (a Ciba-Geigy arthritis drug) as a miracle product during an appearance on NBC network's *Today* show in 1988. This prompted NBC's science reporter to respond later that Mantle's "enthusiasm for Voltaren is understandable, especially since he is a paid spokesperson for the company that makes the drug" (Lipman 1990a, p. B6). Ciba-Geigy also used baseball player Whitey Ford as a Voltaren endorser on a Miami radio talk-show and arranged appearances of actress Shirley Jones (to recommend its estrogen-replacement drug Estraderm) before women's seminars on menopause. Faced with a criminal investigation for such practices, Ciba-Geigy later agreed to revamp its marketing strategies to prevent prescription drug promotional abuses (Ingersoll 1991).

History and Current Status

This section offers a historical analysis of the established hybrid types in the U.S (i.e., product placement, program tie-in, and program-length commercial). In particular, we describe the unique circumstances that were instrumental to the evolution of each of these hybrid types. We then review the current regulatory status of all types of hybrid communications. Our discussion identifies regulatory similarities across hybrid messages embedded in broadcast/cablecast media, and highlights the lack of regulation of hybrids featured in all other media.

Product Placement

The notion of product placement evolved from successful publicity efforts directed at the film medium several decades ago. Schudson (1984) describes the receptivity of Hollywood to influence attempts by cigarette firms in the 1920s (result: actors and actresses smoked cigarettes in movies). However, product placement was neither a well-organized nor a high-profile growth area until the late 1970s (*The Hollywood Reporter* 1986) because it merely remained a by-product of publicity/public relations initiatives whereby the product sponsor did not pay the moviemaker, but only loaned the product for use in movie production (*Marketing Communications* 1981). In marked contrast, product placement acquired a distinctive hybrid orientation in the 1980s. As a result, firms now routinely pay moviemakers substantial amounts for product placements perceived as advantageous (Fleming 1990; Krasnoff 1986). Stated differently, the sponsors have gained progressively more control over product placement messages in exchange for valuable consideration (Miller 1990). For instance, the script for *Rocky III* was amended to include a scene in which actor Sylvester Stallone endorses Wheaties cereal as the "breakfast of champions" (Maslin 1982). Similarly, a scene in *Cocoon: The Return* "was re-shot so that Quaker Instant Oatmeal could be displayed more prominently" (Reed 1989, p. 103).

Several observers acknowledge this field as big business (e.g., Fleming 1990). A product placement package could cost up to one-half million dollars (Lang 1990), and Hollywood produces several hundred movies each year, most of which place products. Elliott (1992) estimated that marketers spend $50 million annually on placements; because consideration-oriented placements only originated in the 1980s, it is safe to conclude that this industry has grown at a good pace.

Historical evidence supports two conditions necessary for product placements: (1) the sponsors should perceive that they offer value, and (2) the media should be motivated by the economic incentives they provide. The former premise is buttressed by numerous reports concerning sponsors who invest in placements (e.g., Lang 1990; Miller 1990). One facet of this sponsor-perceived value could be the capacity of place-

ments to extend both message reach and message life because Hollywood movies have a worldwide audience, and because they outlast the initial phase of theater exhibition through videocassette sales and television broadcast/cablecast opportunities (Fleming 1990). Evidently, the perceived value of a product placement is further enhanced under special circumstances (e.g., when an attractive placement opportunity is sought by rival firms). Consider a placement in the movie *Wall Street* where actor Charlie Sheen referred to *Fortune* magazine as "the bible" of Wall Street. There was a bidding contest between *Fortune* and *Forbes* magazines for the privilege of being featured in this placement (*The Wall Street Journal* 1988).

With regard to the second condition, industry observers (e.g., Lang 1990) acknowledge the economic attraction of product placements for moviemakers. That is, placements help subsidize the huge costs associated with movie production. Some aggressive movie studios have even solicited potential sponsors with a menu of product placement options. For example, Walt Disney Company outlined the following cost schedule for its movie *Mr. Destiny*, in letters addressed to marketers: $20,000 for a visual product display, $40,000 for a brand-name mention and visual, and $60,000 for an actor to use the product (Magiera 1990). Moreover, it is popular for movie product placements to be dovetailed with cross-promotions, whereby the sponsor of the placed product also commits resources to combined promotion of the product and the movie. One illustration (from *Promo* 1988) involves Adolf Coors Company, which launched a massive promotional campaign linking Coors Light beer and *Twins*, a Universal Pictures movie where this beer was prominently featured. Another movie producer even accommodated different placements in different versions of the same movie. A placement for Taco Bell in the U.S. release version of Warner Brothers' *Demolition Man* was replaced with another pitch for Pizza Hut in the international release, to take advantage of the latter sponsor's willingness to promote the film around the globe (King 1993). Such cross-promotions help moviemakers save on movie marketing costs (Fleming 1990), which are sometimes as substantial as the costs of movie production (Krasnoff 1986).

Program Tie-in

Historical records indicate that the program tie-in concept existed, in a rudimentary form, prior to the 1960s (see 25 Fed. Reg. at 2408 [1960]). At that time, the Federal Communication Commission (FCC) discouraged program tie-ins because they were often negotiated and implemented by networks without the knowledge of television stations (i.e., broadcast licensees) that aired network programs. This practice was anomalous because it prevented licensees from complying with the Commission's *sponsorship identification rules*, which require that audiences be clearly informed whenever paid or sponsored material is broadcast (see 47 C.F.R. Section 73.1212; Section 317 of Communications Act). A succinct rationale for the sponsorship identification rules is provided in the following quotation from a 1963 document (40 F.C.C):

> With the development of broadcast service along private commercial lines, meaningful government regulation of the various broadcast media has from an early date embraced the principle that listeners are entitled to know by whom they are being persuaded. Thus, as far back as the Radio Act of 1927 and continuing with Section 317 of the Communications Act of 1934 there has been an unvarying requirement that all matter broadcast by any station for a valuable consideration is to be announced as paid for or furnished, and by whom (p. 141).

In part, the FCC signal discouraging program tie-ins and a 1960 amendment to the Communications Act (to correct the anomaly discussed — see 47 U.S.C. Section 508) caused networks to voluntarily adopt standards that precluded brand name products in television programs. However, new developments in the late 1980s suggest a trend toward relaxation of these self-imposed standards. For instance, the CBS/NBC networks departed from such standards in the program tie-in examples cited earlier, and Pereira (1990, p. B1) notes that the MTV network may also relax its "standard practice of excising product promotions" in its programs.

The willingness to bypass self-imposed network standards has catalyzed the evolution of the full-fledged program tie-in concept. Indeed, this concept can be viewed as a creative network substitute for television product placement because the latter has a potentially serious drawback. That is, it could trigger an opportunity loss of advertising revenues from competitors of the placed product (Krasnoff 1987). This is an important consideration, because the sale of commercial time is a chief revenue source for broadcast/cable networks. Unlike a television product placement, however, a program tie-in compensates for opportunity losses in advertising revenue by extracting a sponsor's commitment to advertise heavily in the program. Another reason why program tie-ins appeal

to networks is that they make it easier to sell ads in less successful programs (Lipman 1988).

Program-Length Commercial

PLCs originated in the 1950s (Wojtas 1990), but acquired initial prominence in the late 1960s as a television-based tool to promote products for children (see *Topper Corporation*, 21 F.C.C. 2d 148 [1969]; *American Broadcasting Companies*, 23 F.C.C. 2d 132 [1970]). In the early 1970s, the FCC expressed serious concern over broadcast of PLCs (see 39 F.C.C. 2d 1062 [1973]), and clarified its policies with regard to PLCs for the first time (see *Applicability of Commission Policies on Program Length Commercials*, 44 F.C.C. 2d [1974]). Following widespread concern during this period over broadcast materials directed toward children, the Commission also proposed quantitative limits on television advertising (see *Children's Television Report and Policy Statement*, 50 F.C.C. 2d 1 [1974]).

These limits served to outlaw PLCs until the FCC unilaterally eliminated them in 1984 on the grounds that marketplace forces were adequate to regulate the level of advertising. The Commission's rationale was that if television stations "exceed the tolerance level of viewers by adding 'too many' commercials the market will regulate itself, i.e., the viewers will not watch and the advertisers will not buy time" (98 F.C.C. 2d. at 1105 [1984]). As part of this broadcast deregulation effort, the Commission rescinded its earlier "policy banning program length commercials" (98 F.C.C. 2d. at 1102 [1984]). By underscoring the acceptability of PLCs, these latter developments also enhanced their popularity. Therefore, the scope of PLC messages in the late 1980s and early 1990s expanded considerably beyond children's products to include financial services, real-estate investment planning, mass-influence attempts by political candidates, and products promising benefits such as weight-loss and baldness-cure (Chester and Montgomery 1988; Jefferson and King 1992; Selz 1990; Zoglin 1991).

The PLC (infomercial) industry has grown in other important respects. The number of PLC telecasts in the U.S. went up from 2,500 a month in 1985 to more than 21,000 in 1991 (Zoglin 1991). This dramatic increase was facilitated by rapid expansion in PLC outlet options. That is, although PLCs were initially limited to late-night time-slots in independent television stations or cable networks, their coverage later expanded to "almost any time-slot" (Hayes and Rotfeld 1989, p. 20) and to broadcast network affiliates (*Broadcasting* 1990). In addition, a new television network devoted exclusively to infomercials was launched in 1991 (*Marketing News* 1991), and the ABC network later experimented with the infomercial format (Mandese 1992). Finally, published estimates of both the size and growth of the infomercial industry are impressive: this business was estimated to reach $ 1 billion in 1992, which is approximately twice the figure for 1991 (Schlossberg 1992b).

In summary, the preceding historical review reveals a common evolutionary pattern for established hybrid messages: they existed in some rudimentary form prior to the 1970s, experienced a hiatus or low growth in the 1970s, and re-emerged or grew substantially in the 1980s and beyond. Note that emergent hybrid messages preclude detailed historical analysis given their relatively recent origin. However, the various examples reviewed earlier suggest at least one aspect common to *all* hybrid communications: the 1980s offered an environment conducive to creativity and boldness in exploring the limits of the hybrid message concept.

Current Regulatory Status

In marked contrast, the current regulatory framework for hybrid messages fails to yield any pattern that is common to *all* hybrid communications. Nevertheless, it is useful to organize discussion of this framework around the following dichotomy: broadcast/cablecast media versus "all other" media. Hybrid messages that emanate from the broadcast/cablecast media (such as program tie-ins, PLCs, masked-spokesperson messages, and product placements in *syndicated films* produced expressly for television broadcast) are generally required to comply with the FCC rules on sponsorship identification. On the other hand, hybrids embedded within "all other" media (such as masked-art messages in novels, masked-news messages in newspapers, and product placements in *feature films* produced for theatrical exhibition) are not subject to the sponsorship identification rules. Further elaboration on this dichotomy is presented next.

Hybrid Messages in Broadcast/ Cablecast Media

Conceptually speaking, such messages appear implausible. That is, if paid sponsors are supposed to be identified in broadcast/cablecast media, hybrid messages (by definition) could not exist in such media. In practice, however, the policy waivers and specific pro-

visos discussed below help accommodate hybrid messages within broadcast/cablecast media. In addition, some (recently acquired) technologies and audience habits allow a message to virtually retain a hybrid character despite complying with the sponsorship identification requirement.

Policy Waivers. In 1963, the FCC waived the sponsorship identification requirement for feature films *when they are subsequently broadcast on television* [see *Report and Order*, 34 F.C.C. at 834, 835 (1963)] Therefore, it is legal to broadcast a feature film which contains product placements, without explicitly identifying the sponsors involved. Furthermore, the Commission clarified its policy using thirty-six detailed examples to highlight circumstances under which sponsorship identification is, and is not, required [see *In re Applicability of Sponsorship Identification Rules*, 40 F.C.C. 149-151 (1963)].

Specific Provisos. According to Section 317(a) (1) of the Communications Act, no sponsorship identification is required even in instances where the product sponsor furnishes economic consideration (e.g., a service or property for use in the program), provided that the exposure of the sponsor's product in the program is not "beyond an identification reasonably related to the use of such service or property in the broadcast" [47 U.S.C. at 235, 236]. Whenever such reasonable relationship can be established, product placements are acceptable even in television programs and in syndicated films.

Impact of New Technology and New Habits. FCC rules require that sponsorship identification announcements (where necessary) should appear at the beginning and end of a program that lasts over five minutes [see 47 C.F.R. Section 73.1212 (d)]. However, the impact of these FCC rules is diminished by the widespread availability of two technologies (cable television and remote-control channel selectors) that encourage channel switching or "zapping" behavior. Moreover, Kaplan (1985) has concluded that the unique combination of commercial breaks, closing credits, station break, and opening credits in the beginning and end of television programs generally triggers zapping behavior. Therefore, the current sponsorship identification rules are less likely to divest messages (e.g., PLCs) of their hybrid character.

Hybrid Messages in "All Other" Media

From a regulatory standpoint, the "all other" media category has traditionally enjoyed a much higher level of First Amendment protection, when compared to the broadcast/cablecast media category (Vradenburg 1983). A plausible reason for this imbalance emerges from two characteristics (highly restricted access and substantial mass-influence power) of the latter category. That is, given the complex nature of telecasting and the finite range of wireless frequencies/cable channels available, access is naturally restricted to a limited number of licensees; because telecasting is an effective means of one-way communication with mass audiences, it offers the licensee enormous power to influence them. Under the circumstances, unbridled First Amendment protection appears relatively less appropriate for broadcast/cablecast media when compared to "all other" media. This difference may explain why hybrids embedded in any media belonging to the "all other" category are insulated from restrictions like the sponsorship identification rules. Feature films illustrate this point nicely. In an extensive review of movie regulations, Pember (1984) notes a court ruling which affirms First Amendment protection for films and prohibits their censorship by the state, except in cases of obscenity (see *Burstyn v. Wilson*, 343 U.S. 495 [1952]). Imposing the FCC sponsorship identification rules on films may threaten artistic freedom of expression (and also undermine First Amendment protection for films); therefore, these rules appear inappropriate for movie product placements.

The preceding discussion affirms that hybrids in the "all other" media category are not subject to FCC regulations but does not imply immunity from other applicable guidelines/regulations. Two examples follow. First, the FDA has proposed guidelines to discourage inappropriate promotional practices for drugs "under the guise of continuing medical education for health-care professionals" (Gutfeld 1992, p. B7). Masked-news drug promotions will be subject to these guidelines when they are formally enforced. Second, when Philip Morris paid $ 350,000 for favorable exposure of Lark cigarettes in the movie *License to Kill* (Lipman 1989), this placement raised two questions: whether it violated the Federal Cigarette Labeling and Advertising Act which requires all cigarette ads to be accompanied by a health warning; and whether, given the possibility of eventual television broadcast of this feature film, this placement was designed to circumvent prohibitions against cigarette advertising on television. These criticisms motivated a voluntary move by the tobacco industry to curtail paid movie placements (Colford 1990b). This and other efforts to institutionalize self-regulation, such as the establishment of a trade council by the product placement industry (Citron 1987) and the launch of a na-

tional association by the infomercial industry (Schlossberg 1992a), aim to pre-empt future regulation of hybrids.

Pros and Cons, Rationales and Implications

This section elaborates on issues related to the marketing impact of hybrids that are relevant to both theory and practice. Specifically, we appraise the pros and cons of hybrids by reviewing factors (a) that motivate/justify their use and (b) that diminish their appeal. Most advantages associated with hybrid messages (from the sponsor's perspective) appear to be rooted more in perception than in reality. That is, sponsors seldom have concrete evidence that hybrids offer real advantages over other forms of marketing communications. Nevertheless, the growth of hybrids indicates that many sponsors perceive them as valuable; therefore, it is fruitful to explore plausible theoretical rationales that support such perceptions. The following analysis of these rationales is organized around recall and persuasion variables because they are widely used to assess the impact of marketing messages. Space constraints prevent a discussion of all hybrid message types under each rationale. Moreover, a given rationale may apply more to some hybrid types than others. Therefore, attention is restricted to hybrid types that are most germane to the context discussed.

Recall

A theoretical framework for assessing the impact of a product placement (on subsequent audience recall) is provided by an extremely robust memory-related phenomenon, which Lynch and Srull (1982) elegantly summarize as follows:

> Information that is novel or unexpected seems to capture one's attention, is processed more extensively and subsequently is much more likely to be recalled than information that is redundant or expected to appear in a given context. For example, von Restorff (1933) found that almost any technique that served to increase the novelty of particular items or led them to be unexpected enhanced the subsequent recall of those items. This has become known in the memory literature as the "von Restorff effect" (p. 32).

Because audiences do not anticipate a product-related message while watching a movie, the relevance of the von Restorff effect stems from the "surprise" factor (Goodman-Malamuth 1985) that accompanies product placements. Consider for example, the placement of a candy product in *The Formula*, a movie wherein Marlon Brando casually says to fellow actor George C. Scott: "Have some Milk Duds, they're good for you..." It is reasonable to infer that this endorsement, although carefully integrated into the story in a relevant way, will appear momentarily novel and unexpected to an audience engrossed in the movie. (The objective of this careful integration process is not to hide the product placement itself, but to hide its commercial intent. Thus, the placement is designed to stand out, and also to appear in context.) Under the circumstances, the von Restorff effect will predict high levels of post-movie audience recall of the placed product.

Although prior (non-proprietary) research addressing recall of product placement episodes is limited to just one study, it offers evidence in line with the preceding prediction. Steortz (1987) conducted a telephone survey to assess the recall of product placements in movies that respondents had viewed a day earlier. This survey covered 30 products placed in 6 feature films and provide preliminary support for the earlier interpretation of recall impact (the average brand recall score was found to be 38 percent). As Steortz points out, actual recall of a product placement may also depend on other factors: whether the product is displayed in the background or in close-up; whether it is explicitly mentioned in the script; whether it is endorsed by a favorable actor; the duration of the exposure, etc. For instance, Steortz found that movie placements involving visual and verbal product identification had a higher average recall (57 percent). Recall is considered a crucial gauge of a product placement's effectiveness, and proprietary studies often use recall statistics to deduce a placement's value to its sponsor (see Sharkey 1988).

Persuasion

To assess the persuasive impact of hybrids, we draw on three theoretical rationales: *attribution theory, classical conditioning principle*, and the *modeling paradigm*. *Attribution theory* implies that the persuasiveness of a message is adversely affected if the recipient infers a bias in the message communicator. For example, there is evidence that a reporting bias (i.e., the recipient believes that the communicator's willingness to convey honest/accurate information is compromised) lowers message persuasiveness and is ac-

companied by inferences of communicator insincerity and manipulativeness (Mills and Jellison 1967; Eagly, Wood, and Chaiken 1978). The concept of reporting bias is similar to a lack of trustworthiness: both notions consider whether the communicator conveyed his or her true beliefs (Haas 1981, p. 160). Because the communicator apparently has nothing to gain from the persuasion attempt in masked-spokesperson messages, recipients are unlikely to perceive a reporting bias, or more likely to attribute trustworthiness to the spokesperson. In contrast, given the common knowledge that spokespersons are paid to provide product endorsements in ads, audiences may be predisposed to infer a reporting bias in such cases.

The potential role of *classical conditioning* in persuasion is well known (Gorn 1982); we therefore limit discussion to two brief points. First, the development of a positive "paired-association" between an unconditional stimulus (e.g., a favorable endorser image) and a conditional stimulus (e.g., the product) is the crux of this paradigm, when celebrity spokespersons are involved in ads (see Nord and Peter 1980 for examples), product placements, or PLCs. Because ad messages are relatively short, success at generating such paired-association often requires an obtrusive and expensive campaign of message repetition. In contrast, the editorial environment for both placements and PLCs lasts considerably longer, and permits repetition/reinforcement of the paired-association in a natural fashion; more importantly, this process is also relatively less expensive (Rosenthal 1989). The movie *Cocktail* illustrates the notion of repetitive placements: it contains several scenes where celebrity actor Tom Cruise is shown drinking Miller beer (Kalish 1988).

Second, it is vital to focus attention on a converse issue in a product placement context, i.e., avoiding a negative paired-association that can damage a product's image. For instance, Caterpillar Inc. was dismayed to discover the strongly negative role accorded its products in some movies (Caterpillar equipment was used as a weapon of destruction in the movie *Grapes of Wrath*, and symbolized the oppressive force which drove Dust Bowl victims off their land). This company later adopted a two-pronged approach to product placement: dissuading negative product portrayals in movies with threats of legal action, and being receptive to positive ("heroic") product roles, such as that involving a Caterpillar Wheelloader which prevents disaster at a construction site in the television special *A Brady Christmas* (*Chicago Tribune* 1988). In general, many placement sponsors (e.g., Miller beer) exercise control over the message by imposing stringent guidelines on movie producers to avoid negative paired-association ("If it's a scene involving drinking and driving we'll either try to change the scene or pull the product," Lang 1990, p. 36).

Given its conceptual link to vicarious learning, the *modeling paradigm* (Bandura 1977) is relevant to persuading media audiences (Nord and Peter 1980). For instance, product demonstrations through models (e.g., actors) can facilitate learning, particularly when they experience positive consequences following product use. Thus, product placements, program tie-ins, and PLCs that reinforce product-use through models help individuals vicariously acquire brand preference and/or consumption behaviors that benefit the sponsor. (Note that the sponsor need not always be a product manufacturer and could even be a retailer. Enhanced consumer learning was evident when the retail chain Target aired PLCs and found that consumers required fewer in-store product demonstrations and that products were sold more quickly — Fitzgerald 1992.)

Note that ads featuring models also facilitate consumer learning to an extent. However, hybrid messages that feature models have a greater potential to engender learning because their editorially-disguised environments (and relatively longer duration) promote audience identification with both the model and the message. Consider product consumption behaviors modeled in either a placement or program tie-in context: people may use products that they see fictional characters (enacted by models) use because they identify with, and want to be like, those characters. Kelman (1958) offered a theoretical account of this identification process:

> ...the individual accepts influence because he wants to establish or maintain a satisfying, self-defining relationship to another person or a group.... The individual actually believes in the responses which he adopts through identification, but their specific content is more or less irrelevant. He adopts the induced behavior because it is associated with the desired relationship. Thus the satisfaction derived from identification is due to the act of conforming as such (p. 53).

Disadvantages

Hybrid messages are also characterized by several disadvantages, some of which are not readily apparent. First, the audience impact of hybrids appears to be less direct and less immediate, in comparison to

traditional communication devices such as advertising. These problems are compounded by the absence of reliable measures to assess the cost/benefit tradeoff of hybrids. Key indices such as CPM (cost per thousand) were unavailable for product placements until recently (Rosenthal 1989), and the measures currently available are not as rigorous as those for ads. Furthermore, there is no established measure to assess the persuasiveness of hybrids. (PLCs are a notable exception. Because the PLC usually represents the only marketing support for the product it features, the product's sales volume is a good proxy for persuasiveness).

Second, although the effectiveness of any hybrid hinges on the sponsor exercising control over the message, such control sometimes dissipates in practice. A good example of this is the legal battle between Black and Decker (B&D) and 20th Century Fox Film Corporation (Fox) concerning a movie placement deal in *DieHard 2*. Fox had initially committed to a close-up shot of B&D's Univolt cordless drill in this film, "on the understanding that B&D will commit to a summer promotion supporting" the film (Colford 1990a, p. 57). However, Fox cut the product placement segment from the final version of the film, causing B&D to seek damages for investment in campaigns built around the placement deal (e.g., an ad campaign with the theme "Black & Decker Drills 'Die Hard'" — see Geyelin 1990). B&D also cited a loss of credibility with its customers from cancellation of these campaigns and decided not to get involved with product placements in the future.

Third, some hybrid types are limited in availability and applicability and, therefore, cannot accommodate planning. For example, the number and scope of program tie-in opportunities pale in comparison to the abundance of opportunities available in the advertising marketplace. This problem also extends to product placements. Even if moviemakers offer a great number of placement opportunities, only a few of these may be available and/or suitable for any given sponsor. Furthermore, no sponsor can accurately assess the quality or number of placement opportunities available in the future, thus precluding detailed plans for placements in the marketing budget. Placements may even be inappropriate for some sponsors, except under rare circumstances. Consider the following comment from the director of advertising at Bassett Furniture Company: "a sofa is a sofa, and in a movie there's no way to tell if it's ours. Now, if they did a film where they unpacked a crib and you could see the box with our name on it, that would be a different story" (Rosen 1990, pp. 49-50).

A final disadvantage is that many hybrid types entail substantial risk. Movie placements may be uncertain investments because both "product exposure and money spent can simply evaporate if a movie flops" (Rosen 1990, p. 49). One measure of the risk associated with PLCs is their failure rate, which is as high as 85 to 90 percent (Jefferson and King 1992; *Marketing News* 1991). Another risk of PLCs may be their poor image, attributed by industry observers to their usual pitch for "gimmick" products offered by relatively unknown manufacturers. Although these factors diminish the appeal of PLCs for well-established brands, this situation may change markedly even if a few PLCs succeed in a big way. Interestingly, one prominent brand recently used a prime-time slot for its PLC (Goldman 1993). With respect to other hybrid types, sponsors typically face a different set of built-in risks. For example, the masked-news messages reviewed earlier required corrective disclosure efforts that potentially damage the credibility of sponsors.

Future Research Agenda

The theoretical concept of hybrid messages is new and unfurls an exciting agenda for future research. This is summarized in Table 1 under two areas: message impact and public policy. Pursuit of research issues listed under these areas may yield important insights for sponsors and policymakers respectively.

Message Impact

There is a pressing need for empirical research that addresses the following key question: Are hybrids more effective than other communication devices (such as advertising and publicity)? Schwarz, Kumpf, and Bussman (1986) report preliminary evidence supporting this premise. In their study, college students read a persuasive message about a textbook which was labeled either an advertisement or a book review in a journal (i.e., the same persuasive message presented in an editorial format analogous to a hybrid). The effectiveness of the message (as assessed by subjects' intention to read/buy the book) in the advertisement format was found to be lower than that of the editorial format. Future research should attempt to replicate this pattern of results in field settings. Researchers should also explore whether some hybrid types generate more effective message impact than others, and whether different message formats within a given

Table 1
A Research Agenda for Hybrid Messages

Research Focus	Research Questions	Research Approach/Model
Message impact (e.g., recall/ persuasion/ behavioral measures)	Do hybrids generate more marketing impact than advertising or publicity messages? If so, what factors moderate this impact?	Field/laboratory studies • Model for Recall: → Von Restorff Effect • Models for Persuasion: → Attribution Theory → Classical Conditioning → Modeling Paradigm
	Does knowledge about the true nature of hybrid messages affect their impact? If such knowledge becomes available, is a backlash effect likely? If so, what strategies can sponsors pursue to protect the impact potential of hybrids?	Field/laboratory studies • Model for message impact: → Immunization Effect
Public policy	What is the extent of public awareness of, and attitude toward, each hybrid message type?	Cross-sectional surveys
	What implications do hybrids carry for consumer education efforts? If awareness of hybrids is low, what mass forewarning strategies can effectively increase it?	Surveys/field studies to explore new public policy initiatives
	Are some audience segments (e.g., children) more vulnerable to hybrids than they are to other marketing messages? Is it appropriate for the FTC to extend advertising regulations (e.g., rules that govern deception in advertising) to the context of hybrids?	Critique of current policy
	What should be the tradeoff between a consumer's rights and the rights of commercial sponsors?	International comparisons of historical policy toward established hybrids
	Can non-commercial hybrid messages serve socially useful purposes?	Field/laboratory studies • Model for normative messages is: → The Harvard Alcohol Project

hybrid type are differentially effective. Englis and Hayes (1991) offer some insights on the latter issue for PLCs.

Message impact should be assessed at *recall* (cognitive), *persuasion* (affective), and *behavioral* (conative) levels. Some theoretical rationales underlying the perceived advantages of hybrid messages (for recall and persuasion) were reviewed earlier, and they await empirical validation.

At the behavioral level, available evidence presents a mixed pattern. Hybrid messages sometimes appear to register clear sales impact, e.g., Winski (1982) reports that sales of Reeses Pieces candy increased substantially following this brand's placement in the movie *E.T.*; Leinster (1987) notes that Ray Ban's Wayfarer sunglasses became enormously popular when actor Tom Cruise used this brand in the movie *Top Gun*. However, the results are less impressive in other instances. Similarly, there is no dearth of successful PLCs (see Wojtas 1990 for examples), yet sponsors like Club-Med and Volvo were less than enthusiastic after trying PLCs (Jefferson and King 1992). From a research standpoint, it is important to identify factors that moderate the degree of success of hybrid messages. It is likely that audience perceptions of "fit" across key characteristics on product/medium/communicator/message dimensions are important in this regard. Arguably, the success of the Reeses placement can be attributed to the following combination of characteristics: a legitimate product role in a climactic scene involving likable characters of a popular movie. Other preliminary inferences, based on experiences of the ABC network, are as follow: PLCs work better under a hard-sell message mode (than a soft-sell mode), and they are more successful for lower-priced items when compared to higher-priced items (Bird 1992b). A final conjecture contrasts PLCs with product placements/program tie-ins. Because PLCs offer lots of product information, they may work through high-involvement processes. On the other hand, the relatively transient placement/tie-in episodes hardly present detailed product information and, therefore, probably work through low-involvement processes. Carefully controlled field/laboratory studies can shed more light on these and other moderating factors.

Another important research question concerning message impact merits investigation. If consumers are informed about the persuasive intent behind hybrids through training or educational efforts, will this knowledge affect how hybrids are processed? For instance, the FTC disseminates, on request, an information sheet (FTC 1989) that explains the characteristics of PLCs, and highlights how unscrupulous marketers can use PLCs for deceptive ends. Such consumer education efforts can be effective only if they impart some "immunity" against deception.

There is some research evidence supporting such an *immunization effect*. Early studies in this area (Citron and Harding 1950; Collier 1944) suggest that the resistance to propaganda messages can be enhanced by prior training in the critical evaluation of these messages. Further, forewarning subjects about the persuasive intent of a forthcoming communication appears to diminish its persuasive impact (Haas and Grady 1975; Kiesler and Kiesler 1964) because forewarning encourages counter-argumentation (Petty and Cacioppo 1977). This line of reasoning raises interesting issues for future research: can public knowledge about the true nature of specific hybrids go beyond imparting immunity and generate an unjustified backlash instead? (E.g., if people learn about a few PLCs that are very deceptive, will they tend to brand all PLCs as deceptive?) If so, what strategies should sponsors pursue to protect the impact potential of their hybrid messages?

Public Policy Issues

Awareness. The immunization effect also has implications for policymakers. To the extent that a lack of awareness about the true nature of hybrids heightens the public's vulnerability to deception, policymakers will find answers to the following research questions useful: What is the current level of public awareness of various hybrid types? If awareness levels are low, what types of mass forewarning strategies are most effective in boosting awareness? Cross-sectional surveys and field experiments are respectively appropriate for investigating these questions.

The need to establish public awareness about PLCs is especially acute because consumer interests may be threatened by a combination of factors. First, past studies (Hayes and Rotfeld 1989; Parsons and Rotfeld 1990) suggest that the record of broadcast/cable channels (in terms of evaluating the potential of PLCs to injure consumer interests before airing them) is less than satisfactory. Second, using publicly available documents, we reviewed FCC actions to enforce sponsorship identification requirements during 1988/1989; in this period, several television stations erroneously concluded that the PLCs they broadcast did not require explicit sponsor identification announcements.

Thus, it is unlikely that all television stations strictly adhere to the FCC sponsorship identification requirements while broadcasting PLCs. Third, there is some concern that consumers may fail to realize that PLCs are not regular programs (*Broadcasting* 1990). Fourth, it is unclear to what extent child audiences are aware of PLCs, and how such awareness (or the lack thereof) affects their processing of PLCs. These research issues are important because child audiences may be more vulnerable to deception, and because PLCs directed at children often acquire a host-selling role (i.e., use of program characters to promote products). Furthermore, many toy brands have spawned television programs (e.g., *Teenage Mutant Ninja Turtles*) aimed at children, and toys related to successful television programs meant for child audiences (e.g., *Sesame Street*) have proliferated (following Greenfield et al. 1990, these are, respectively, Toy-Based Programs and Program-Based Toys).

Fifth, the FCC has argued that it lacks resources to evaluate every PLC in terms of whether it harms consumer interests (see Parsons and Rotfeld 1990). Moreover, current policy toward regulation of PLCs is characterized by ad-hocism. The FTC says that complaints on PLCs will be reviewed on a "case-by-case" basis (FTC 1990). This approach may be justified because (a) the Commission's efforts in this area are of recent origin, and (b) only a limited number of cases have been investigated so far (Lipman 1990b). Nevertheless, it is unclear what precise standards are used to evaluate these cases. Given this uncertainty, a default policy option may be to extend FTC standards governing deception in advertising messages (see Ford and Calfee 1986 for an excellent review) to hybrid messages as well. However, the appropriateness and adequacy of this default option merits careful research because consumers are likely to comprehend the persuasive intent of advertising more readily than hybrids. Moreover, there is no conceptual equivalence between an advertising message and a hybrid message because their definitions are different. Researchers can make a fundamental contribution to public policy by establishing scientific bases for deciding whether similar or different policy is needed for advertising and hybrid messages.

Consumer Interests Versus First Amendment Rights. A key part of this policy debate should focus on balancing the protection of consumer interests on the one hand with attention to the First Amendment rights of product sponsors on the other. This tradeoff addresses what policy should be in a normative sense, and some landmark court decisions provide initial guidance in this regard. In interpreting the constitutional protection of free speech, the courts have historically made a distinction between commercial and non-commercial speech (Cohen 1978; Lively 1987; Nutt 1988). Although commercial speech has enjoyed First Amendment protection since a landmark court ruling in 1976 (see *Virginia State Board of Pharmacy v. Virginia Citizens Consumer Council*, 425 U.S. 748, 773 [1976]), commercial speech has not been accorded the same degree of constitutional protection as non-commercial speech. Further, the courts have consistently held that First Amendment protection does not preclude the government's authority to regulate false and misleading commercial speech (see *Zauderer v. Office of Disciplinary Counsel*, 471 U.S. 626, 638 [1985]; *Sears Roebuck & Company v. FTC*, 676 F. 2d 385 [9th Cir. 1982]; *Central Hudson Gas & Elec. Corp v. Public Service Commission*, 447 U.S. 557, 563 [1980]).

Given the dominance of this commercial/non-commercial dichotomy in past court decisions involving First Amendment rights, what should be the degree of such protection accorded to hybrid messages (which *do not appear* to be commercial speech, but *serve the purpose* of commercial speech)? A vigorous policy debate is needed here, and researchers can contribute conceptual insights. Although not explicitly dealing with the notion of hybrid messages, one FTC case sheds some light on this issue. In 1986, the FTC issued a complaint against an R. J. Reynolds ad (which used an "editorial" format) contending that this was an instance of commercial speech that provided false and misleading interpretation of a scientific study known as the Multiple Risk Factor Intervention Trial ("MR FIT"). An administrative law judge (ALJ) ruled that this ad was not commercial speech and, therefore, was entitled to full First Amendment protection. The FTC later reversed the ALJ's decision (see FTC Docket No. 9206, *Order*, March 4, 1988) and issued a "cease and desist" consent order against R. J. Reynolds in 1990 (see FTC Docket No. 9206, *Decision and Order*, May 8, 1990). In a dissenting statement, Commissioner Mary L. Azcuenaga characterized the consent order as "unusually and conspicuously weak." She further wrote:

> ... the remarkable concessions that the majority is willing to make to settle this case suggest a certain squeamishness about the Commission's authority to regulate deceptive advertisements that look like editorials, which is the only defense that Reynolds has asserted. Reasonable people may disagree about whether the First Amendment protects a

> deceptive advertisement that looks like an editorial, such as the so-called "MR FIT" ad that Reynolds ran, but we can do more to protect consumers if we take a firm position one way or the other. If we announce that the Commission will not challenge advertisements that are designed to masquerade as editorials, we will warn consumers to be on guard and to exercise any natural suspicion they may have regarding the truth of a paid-for editorial advertisement.
>
> On the other hand, if we intend to regulate such ads, we should do so decisively and demand remedies that are as rigorous as in any other deceptive advertising matter. By accepting this pared-down order, the majority implicitly asserts that the order is adequate and signals to the public generally that the Commission is protecting consumers. At the same time, however, it signals to cigarette companies and other advertisers, through the specifics of the order, which will be studied by their legal experts, that they may shade the truth, or even deceive consumers outright, if they choose to try the advertising "editorial" approach in the future. Although certainly the Commission does not intend this result, in a very real sense the Commission itself is practicing a deception on the American consumer, and a dangerous deception at that.

In framing the policy toward hybrid messages, it is also useful to critically evaluate policies of other nations in this area. Boddewyn (1982) has commended the value of cross-national policy comparisons, and Armstrong and Brucks (1988) have demonstrated the usefulness of such comparisons in the area of advertising directed toward children. A similar critical evaluation of historical policies adopted by other nations toward hybrids should be useful in developing comprehensive policy.

Social Implications

Because hybrids carry powerful persuasive potential, they can be creatively adapted to serve some socially useful purposes. Such adaptations can be characterized as *non-commercial hybrid messages*, through whose dissemination the medium earns intangible rewards (such as the satisfaction of positively influencing society), as opposed to the economic rewards that accompany commercial hybrid messages. For instance, the *Harvard Alcohol Project (HAP)* has used the television medium to propagate socially responsible alcohol consumption behavior via "concept" placements in network programs. HAP sought the cooperation of television writers to present the "designated driver" concept as a social norm; as a result, dialogue consistent with the project's objectives have appeared in eighty network television episodes in two television seasons (DeJong and Winsten 1990). There is evidence that social modeling films can help deter smoking in adolescents (see Evans et al. 1981), and future research should explore whether these findings can be extended to the area of responsible alcohol consumption and other socially desirable behaviors.

Summary and Conclusions

A primary contribution of this research was to synthesize developments in the media marketplace that carry enormous public policy implications. Specifically, it focused on paid messages that attempt to persuade media audiences without explicitly acknowledging the persuasion attempt. Because audiences are unlikely to be aware of such persuasion attempts, and may process them less defensively than explicit attempts to persuade, the "hidden but paid" hybrids raise questions related to consumer welfare and education.

We first employed the hybrid message concept as a platform to conceptually integrate several "hidden but paid" messages such as product placements, program tie-ins, PLCs, and various types of masked communications. This integration rests on the remarkably simple proposition that all such messages are hybrids because they combine appealing elements from the definitions of advertising and publicity. These message types were further explored from several (historical, psychological, and regulatory) perspectives to obtain insights on questions of interest to consumers, advertisers, and regulators: Why might hybrid messages be more effective? What explains the high levels of recent growth in hybrids? What are the ethical and legal considerations associated with these types of messages? Finally, an elaborate research agenda was presented for this new area. Because this area raises important policy questions and is relatively new (empirical work is almost non-existent), several exciting research challenges lie ahead.

This study underscores the need for a balanced appraisal on hybrids. That is, the merits of hybrids should be evaluated in the context of the considerable weaknesses they also bring. On balance, hybrids hardly constitute a threat to the field of advertising. Despite the impressive growth of hybrids in recent years, key considerations necessary for preserving the identity and editorial integrity of the media will act as natural barriers to an overwhelming shift to-

ward hybrids. In other words, hybrids are unlikely to supplant the current dominance of advertising or publicity messages in the media. However, as long as product sponsors believe that hybrid messages provide a value-added component over and beyond advertising or publicity, hybrids will retain a preferential edge in the media marketplace.

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